ASSEMBLY, No. 2020

STATE OF NEW JERSEY

219th LEGISLATURE

PRE-FILED FOR INTRODUCTION IN THE 2020 SESSION

Sponsored by:

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SYNOPSIS

Establishes "Commission on Statewide Affordable Housing Obligations" to determine Statewide need for low and moderate income housing.

CURRENT VERSION OF TEXT

Introduced Pending Technical Review by Legislative Counsel.



(Sponsorship Updated As Of: 8/24/2020)

1	AN ACT establishing the "Commission on Statewide Affordable
2	Housing Obligations," supplementing Title 52 of the Revised
3	Statutes, and amending P.L.1985, c.222.

BE IT ENACTED by the Senate and General Assembly of the State of New Jersey:

- 1. (New section) There is established the "Commission on Statewide Affordable Housing Obligations" to evaluate and determine the present and prospective need for low and moderate income housing at the Statewide level.
- a. The commission shall consist of four legislative members, as follows: one member appointed by the Senate President, one member appointed by the Senate Minority Leader, one member appointed by the Speaker of the General Assembly, and one member appointed by the Assembly Minority Leader.
- b. Members of the commission shall serve without compensation, but shall be reimbursed for necessary expenses incurred in the performance of their duties to the extent that funds are made available for that purpose.

- 2. (New section) a. The commission shall organize as soon as practical after the appointment of its members. The commission shall elect a chairperson from among its members, and the chairperson shall select a secretary who need not be a member of the commission.
- b. The commission shall meet at the call of its chairperson, and in the places it may deem appropriate and necessary to fulfill its duties. The commission may conduct public hearings at any place it shall designate.
- c. The commission shall be entitled to call to its assistance and avail itself of the services of the Office of Local Planning Services in the Department of Community Affairs, as it may require.
- d. The presence of three members shall constitute a quorum. The commission may conduct business without a quorum, but may only vote on official matters when a quorum is present.

- 3. (New section) The commission shall evaluate and determine the present and prospective need for low and moderate income housing at the Statewide level. Specifically, the commission shall:
- a. identify and access the factors influencing housing affordability that may affect the Statewide need for low and moderate income housing, which may include, but not be limited to the median household income; the median cost to own or rent a home including property taxes, utilities costs, and other expenses;

EXPLANATION – Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and is intended to be omitted in the law.

the supply of housing units; population; and any other factors as may be deemed appropriate;

- b. evaluate and establish methods for calculating the present and prospective need for low and moderate income housing at the Statewide level, provided that the calculation shall account for population, residential and non-residential development, foreclosed and abandoned properties, and any other factors as may be deemed appropriate; and
- c. determine the present and prospective need for low and moderate income housing at the Statewide level for every five-year period based on the factors and methods established by the commission.

4. (New section) The commission shall issue a report of its findings and conclusions to the Governor and to the Legislature, pursuant to section 2 of P.L.1991, c.164 (C.52:14-19.1), within six months of its organization and every five years thereafter.

- 19 5. Section 7 of P.L.1985, c.222 (C.52:27D-307) is amended to 20 read as follows:
 - 7. It shall be the duty of the council, seven months after the confirmation of the last member initially appointed to the council, or January 1, 1986, whichever is earlier, and from time to time thereafter to:
 - a. Determine housing regions of the State;
 - b. **[**Estimate the present and prospective need for low and moderate income housing at the State and regional levels **]** (Deleted by amendment, P.L., c.) (pending before the Legislature as this bill);
 - c. Adopt criteria and guidelines for:
 - (1) Municipal determination of its present and prospective fair share of the housing need in a given region which shall be computed for a 10-year period.

Municipal fair share shall be determined after crediting on a one-to-one basis each current unit of low and moderate income housing of adequate standard, including any such housing constructed or acquired as part of a housing program specifically intended to provide housing for low and moderate income households. Notwithstanding any other law to the contrary, a municipality shall be entitled to a credit for a unit if it demonstrates that (a) the municipality issued a certificate of occupancy for the unit, which was either newly constructed or rehabilitated between April 1, 1980 and December 15, 1986; (b) a construction code official certifies, based upon a visual exterior survey, that the unit is in compliance with pertinent construction code standards with respect to structural elements, roofing, siding, doors and windows; (c) the household occupying the unit certifies in writing, under penalty of perjury, that it receives no greater income than that established pursuant to

section 4 of P.L.1985, c.222 (C.52:27D-304) to qualify for 1 2 moderate income housing; and (d) the unit for which credit is 3 sought is affordable to low and moderate income households under 4 the standards established by the council at the time of filing of the 5 petition for substantive certification. It shall be sufficient if the 6 certification required in subparagraph (c) is signed by one member A certification submitted pursuant to this 7 of the household. 8 paragraph shall be reviewable only by the council or its staff and 9 shall not be a public record;

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Nothing in P.L.1995, c.81 shall affect the validity of substantive certification granted by the council prior to November 21, 1994, or of a judgment of compliance entered by any court of competent jurisdiction prior to that date. Additionally, any municipality that received substantive certification or a judgment of compliance prior to November 21, 1994 and filed a motion prior to November 21, 1994 to amend substantive certification or a judgment of compliance for the purpose of obtaining credits, shall be entitled to a determination of its right to credits pursuant to the standards established by the Legislature prior to November 21, 1994 for the purpose of obtaining credits, which motion was supported by the results of a completed survey performed pursuant to council rules, shall be entitled to a determination of its right to credits pursuant to the standards established by the Legislature prior to P.L.1995, c.81;

- (2) Municipal adjustment of the present and prospective fair share based upon available vacant and developable land, infrastructure considerations or environmental or historic preservation factors and adjustments shall be made whenever:
- (a) The preservation of historically or important architecture and sites and their environs or environmentally sensitive lands may be jeopardized,
- (b) The established pattern of development in the community would be drastically altered,
- (c) Adequate land for recreational, conservation or agricultural and farmland preservation purposes would not be provided,
 - (d) Adequate open space would not be provided,
- (e) The pattern of development is contrary to the planning designations in the State Development and Redevelopment Plan prepared pursuant to sections 1 through 12 of P.L.1985, c.398 (C.52:18A-196 et seq.),
- 41 (f) Vacant and developable land is not available in the 42 municipality, and
- 43 (g) Adequate public facilities and infrastructure capacities are 44 not available, or would result in costs prohibitive to the public if 45 provided.
 - (3) (Deleted by amendment, P.L.1993, c.31).
- d. Provide population and household projections for the State and housing regions;

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e. In its discretion, place a limit, based on a percentage of existing housing stock in a municipality and any other criteria including employment opportunities which the council deems appropriate, upon the aggregate number of units which may be allocated to a municipality as its fair share of the region's present and prospective need for low and moderate income housing. No municipality shall be required to address a fair share of housing units affordable to households with a gross household income of less than 80% of the median gross household income beyond 1,000 units within ten years from the grant of substantive certification, unless it is demonstrated, following objection by an interested party and an evidentiary hearing, based upon the facts and circumstances of the affected municipality that it is likely that the municipality through its zoning powers could create a realistic opportunity for more than 1,000 low and moderate income units within that tenyear period. For the purposes of this section, the facts and circumstances which shall determine whether a municipality's fair share shall exceed 1,000 units, as provided above, shall be a finding that the municipality has issued more than 5,000 certificates of occupancy for residential units in the ten-year period preceding the petition for substantive certification in connection with which the objection was filed.

For the purpose of crediting low and moderate income housing units in order to arrive at a determination of present and prospective fair share, as set forth in paragraph (1) of subsection c. of this section, housing units comprised in a community residence for the developmentally disabled, as defined in section 2 of P.L.1977, c.448 (C.30:11B-2), shall be fully credited pursuant to rules promulgated or to be promulgated by the council, to the extent that the units are affordable to persons of low and moderate income and are available to the general public.

The council, with respect to any municipality seeking substantive certification, shall require that a minimum percentage of housing units in any residential development resulting from a zoning change made to a previously non-residentially-zoned property, where the change in zoning precedes or follows the application for residential development by no more than 24 months, be reserved for occupancy by low or moderate income households, which percentage shall be determined by the council based on economic feasibility with consideration for the proposed density of development.

In carrying out the above duties, including, but not limited to, present and prospective need estimations the council shall give appropriate weight to pertinent research studies, government reports, decisions of other branches of government, implementation of the State Development and Redevelopment Plan prepared pursuant to sections 1 through 12 of P.L.1985, c.398 (C.52:18A-196 et seq.) and public comment. To assist the council, the State Planning Commission established under that act shall provide the

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council annually with economic growth, development and decline projections for each housing region for the next ten years. The council shall develop procedures for periodically adjusting regional need based upon the low and moderate income housing that is provided in the region through any federal, State, municipal or private housing program.

No housing unit subject to the provisions of section 5 of P.L.2005, c.350 (C.52:27D-123.15) and to the provisions of the barrier free subcode adopted by the Commissioner of Community Affairs pursuant to the "State Uniform Construction Code Act," P.L.1975, c.217 (C.52:27D-119 et seq.) shall be eligible for inclusion in the municipal fair share plan certified by the council unless the unit complies with the requirements set forth thereunder. (cf: P.L.2008, c.46, s.6)

14 (cf: P.L.2008, c.46, s

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6. This act shall take effect immediately.

STATEMENT

This bill establishes the "Commission on Statewide Affordable Housing Obligations" to evaluate and determine the Statewide need for affordable housing.

The commission is to consist of four members, as follows: one member appointed by the Senate President, one member appointed by the Senate Minority Leader, one member appointed by the Speaker of the General Assembly, and one member appointed by the Assembly Minority Leader.

The commission is to be responsible for evaluating and determining the present and prospective need for low and moderate income housing at the Statewide level. Specifically, the commission would: (1) identify and access the factors influencing housing affordability that may affect the Statewide need for low and moderate income housing; (2) evaluate and establish methods for calculating the Statewide present and prospective need for low and moderate income housing; and (3) determine the Statewide present and prospective need for low and moderate income housing for every five-year period. The commission is to submit a report of its findings and determinations within six months of its organization, and every five years thereafter.

The members of the commission are to serve without compensation, but may be reimbursed for necessary expenses incurred in the performance of their duties to the extent that funds are made available. Under the bill, the commission is entitled to use the services and expertise of the Office of Local Planning Services in the Department of Community Affairs.